FBIS DAILY REPORT

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FOREIGN MINISTER MONTES RESIGNS; REPLACEMENT NAMED

Montes Submits Resignation

PY271549Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1540 GMT 27 Oct 78 PY

[Text] Buenos Aires, 27 Oct (NA)--Foreign Minister Oscar Montes announced at noon today that he has submitted his resignation to the national executive branch and that the navy commander, Adm Armando Lambruschini, is aware of his resignation.

He also said that his resignation will be accepted next Monday.

Reasons for Resigning Explained

PY271720Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1615 GMT 27 Oct 78 PY

[Excerpt] Buenos Aires, 27 Oct (NA)--Vice Adm Oscar Antonio Montes, minister of foreign relations, announced at noon today that he has submitted his resignation because press reports regarding the possibility that he may be replaced have caused him to lose standing abroad as a "valid speaker."

Montes called on reporters accredited to the San Martin Palace half an hour after he met with President Jorge Rafael Videla in the government house.

Montes said he called them to announce that he has submitted his resignation and that the executive branch will accept it next Monday.

He said he informed the commander of the navy, Adm Armando Lambruschini, and the navy chief of staff, Vice Adm Antonio Vanek, of his decision.

When asked about the reason for his resignation, Montes said: "My resignation is due to the fact that the public has learned of the changes in the cabinet, and this public knowledge no longer allows the foreign minister to be a valid speaker abroad, a situation which obviously affects the international relations of the country."

Asked about other possible resignations in the Foreign Ministry, Montes did not want to give an answer but said that an interim minister will be appointed.

According to unofficial reports, this interim foreign minister will be the defense minister, Gen Jose Klix,

Although rumors about the replacement of the foreign minister were circulating again in the last few days, it was said last night in official circles that the minister's replacement would not take place immediately but after a general reorganization of the cabinet was made.

Interim Foreign Minister Named

PY281316Y Buenos Aires Domestic Service in Spanish 1030 GMT 28 Oct 78 PY

[Text] The press director of the Foreign Ministry reported yesterday that Defense Minister Jose Maria Klix had been appointed interim foreign minister.

FOREIGN MINISTRY ISSUES NOTES ON CHILEAN VIOLATIONS

PA271951Y Paris AFP in Spanish 1833 GMT 27 Oct 78 PA

[Excerpt] Havana, 27 Oct (AFP)--It was reported in this capital that Argentina has officially denounced before the Cuban Government 10 Chilean violations of its sovereignty in the southern region.

It is a question of "persistent violations" of Argentine territory which occur "beyond the disputed area," said a Buenos Aires Foreign Ministry note directed to the Cuban Government.

Similar notes were delivered by Argentina to other governments informing them of the "circumstances surrounding the negotiations being conducted with the Republic of Chile."

Latin American diplomatic sources felt here that the situation in the southern tip of Argentina and Chile "is serious and may acquire a grave character overnight."

The Argentine note received here repeated that "the proper means of solving controversies between states continues to be direct negotiations. The note lists 10 "activities carried out by Chile in violation of Argentine sovereignty in the southern zone" including the incursion of Chilean troops into Argentine territory and low-level military flights over Argentine ships and military posts.

GOVERNMENT STATEMENT ON RUMORED ITAIPU ACCORD

PY271125Y Buenos Aires TELAM in Spanish 0115 GMT 27 Oct 78 PY

[Text] Buenos Aires, 26 Oct (TELAM)--As a result of rumors from Brasilia, the Argentine Foreign Ministry reported tonight that Argentina may make a new proposal within the overall aspect of the negotiations which it is carrying out with Brazil and Paraguay regarding the hydroelectrical projects of Itaipu and Corpus.

Rumors circulating in Brazil are that Brazil and Paraguay have decided to install 20 turbines in Itaipu. This prompted journalists accredited to the Foreign Ministry to seek information regarding this.

The Argentine Foreign Ministry stated that the government lacked an official information about those rumors which the news agencies were reporting as fact and that, consequently, it could not issue a statement in this regard. When asked what the reaction would be in Argentina if the rumors were confirmed, it was said that this would mean a new general proposal of the terms on which the tripartite negotiations were based, which in turn implies that Argentina would reopen its position within the overall aspect of the negotiations.

In addition to the Foreign Ministry's statement, the speculations center around the Brazilian decision which, if definitive, contradicts not only the Itaipu treaty but also the fact that the issue of increasing the planned number of turbines from 18 to 20 was never discussed.

The advantages which this change will bring to Paraguay are obvious. As Brazil's partner in the construction of the project, the modification of the bilateral treaty will enable Paraguay to resubmit a previously denied request, that is, to increase the price of the excess energy which it will sell Brazil. Lately, the Paraguayan Government has been of the opinion that the price will not be compensatory, as the treaty specifies.

PARAGUAYAN OFFICIAL ARRIVES FOR TALKS, DISCUSSES ITAIPU

PY281707Y Paris AFP in Spanish 1300 GMT 28 Oct 78 PY

[Text] Buenos Aires, 28 Oct--Delfin Ugarte Centurion, Paraguayan minister of industry and commerce, said here that the number of turbines for the Itaipu hydroelectric project has not yet been decided and that his government has the best intentions regarding the coordination of hydroelectric projects on the Parana River.

Ugarte Centurion, who heads an economic delegation of 12 Paraguayan officials, arrived in Buenos Aires last night and said at Ezeiza International Airport that his mission in Buenos Aires is "to discuss the extensive agenda of the Paraguayan-Argentine economic cooperation mixed commission."

He added: "We have a very important agenda with matters concerning our bilateral relations, not only trade but also technical cooperation in the cultural, scientific, tourism, transportation, communication and other fields."

When asked about the turbines for Itaipu which have been the subject of contradictory reports since the day before yesterday, Ugarte said: "I understand that no decision has yet been made on this matter, that is, negotiations are being carried out."

The minister also said: "I know that several alternatives are being considered in accordance with the technical problems." He then said that "Paraguay, Brazil and Argentina have the best intentions. Therefore, I sincerely hope that a satisfactory agreement will be reached."

"No, it has not been decided," Ugarte Centurion replied categorically to the reporters' insistence regarding the decision unofficially reported that the number of Itaipu turbines will be increased from 18 to 20.

The Paraguayan minister said "there has always been talk of 18 turbines" and "there has been talk of 2 more turbines as spares or accessories, but never as permanent."

He added: "I believe this is a technical problem and negotiations are being carried out. I do not believe there is reason for too much concern because there is no need for it."

With regard to the possibility of a tripartite foreign ministers' meeting, the Paraguayan minister refused to answer the reporters' questions because this matter is not under his jurisdiction.

Ugarte Centurion said that the delegation he is heading will also discuss the installation of a free port in Argentine territory as an outlet to the Atlantic for Paraguay.

The minister explained that the sale of Argentine wheat for next year will also be negotiated and not that for liquid gas, as reported by some news media.

SPECULATION RAMPANT ON BANZER'S SUDDEN RETURN FROM ARGENTINA

PA290310Y Madrid EFE in Spanish 2210 GMT 28 Oct 78 PA

[By Jorge de Sendes]

[Text] La Paz, 28 Oct (EFE)--Former Bolivian President Gen Hugo Banzer unexpectedly returned to La Paz last night only 4 days after having presented his credentials as ambassador to Argentina.

His surprising arrival unleashed all kinds of speculation in La Paz since, during the days prior to his departure for Buenos Aires, the La Paz press had published great political manifestos in support of the former president and a large number of photographs of him.

Banzer's unexpected return coincides with repeated reports by the Bolivian press that President Pereda's cabinet will be reshuffled. Those sources indicate that the expected ministerial crisis will serve to restrict the framework of citizens' rights offered by the Pereda government.

In any case, Banzer's return to Bolivia has been highlighted by all La Paz papers, although they have not had time to comment on the event.

The rivalry between the current president and the president he overthrew (Banzer) has been evident on several occasions. Nor is this surprising: Pereda, who had been proposed by Banzer as his "Dauphin," organized a coup d'etat on 21 August to overthrow his "godfather." Despite the outward show of camaraderie between them, Banzer's appointment as ambassador to Argentina after he was removed from the presidency of the republic was interpreted as a "gilded exile."

Banzer traveled to Buenos Aires on Sunday and presented his credentials on 22 October, the eve before the meeting of the Argentine and Bolivian presidents on the 23d. Meanwhile, Banzer (already appointed ambassador) appeared in an intense political propaganda campaign in the Bolivian press.

The bad relations between the two militarymen were evident on 23 October during Pereda's meeting with Videla in Yacuiba. Those who attended the presidential meeting saw Pereda and Banzer exchange only cold greetings of protocol which were devoid of any cordiality between the president and his ambassador.

This situation would not be important if it did not reflect more dangerous disagreements maintained among various groups in the armed forces.

Political leaders insist that the disagreements within the military institution are what intensifies the lack of cohesion between Pereda and Banzer, so much so that Banzer has apparently expressed doubts about the continuation of the current president in power, a high-ranking diplomatic source who naturally did not want to be identified commented.

In view of this situation, the arrival of former President Banzer to La Paz only 4 days after having presented his credentials in Buenos Aires has unleashed a flurry of theories in La Paz circles, which are accustomed to the unexpected.

MINISTER NOTES GAS SALE TO BRAZIL NOT FINAL

FY280243Y La Paz Radio Panamericana Network in Spanish 0000 GMT 28 Oct 78 FY

[Text] The minister of mining and hydrocarbons has emphasized that he and his Brazilian colleague signed a letter of intent, which is not a final document, for the sale of Bolivian gas to Brazil. In view of the numerous protests from various civic, social and union associations against the sale of 400 million cubic feet of gas daily, the minister said that another agreement would determine future gas sales.

During the latest meeting of cabinet ministers, he presented a detailed report on his activities in the Brazilian capital, where he signed the letter of intent last Wednesday.

When newsmen asked his opinion of the rejection of the planned sale of gas to Brazil, he said:

[Begin Larrazabal recording] I believe the letter of intent which has been published is very clear and explains itself. Obviously, there is some national concern about this, as can happen with any problem involving the magnitude of this gas exportation plan, [words indistinct]. In the future, we will provide all the justifications necessary, but I want to emphasize that this, as its name implies, is an agreement of intent. As in any process of negotiation, it is the beginning of an operation. [end recording]

The minister again stated that gas sales to Argentina are continuing in accordance with the original contract in which prices are periodically readjusted. Minister Jaime Larrazabal also stated that the price of Bolivian gas sold to that country will increase in July 1979 to make it more profitable for the country.

Defends, Explains Gas Exports

FY271617Y La Paz PRESENCIA in Spanish 24 Oct 78 p 10 FY

[Text] Jaime Larrazabal, minister of energy and hydrocarbons, on behalf of the government yesterday defended the projected sale of natural gas to Brazil based on the statistics released by Bolivian Government Oil Deposits (YPFB). These statistics insure that the proven natural gas reserves will permit the fulfillment of the commitments to Brazil and Argentina, while at the same time satisfying internal consumption and the plans of industrial exploitation of this energy resource.

The document released by the Ministry of Energy and Hydrocarbons regarding the country's current natural gas reserves covers the following:

1. Availability of Gas Reserves in Bolivia

Our country's current proven gas reserves are 6 trillion cubic feet [tcf]. In terms of planning, this figure is conservative because, on the one hand, it does not include the recent gas discoveries in Mupucu, Rio Seco, Vuelta Grande and Porvenir, and on the other, it does not take into consideration possible discoveries resulting from future explorations. YPFB believes that considering the latest discoveries, the country's gas reserves can easily surpass 7 tcf.

2. Use of Natural Gas Reserves

Considering only the 6 tcf of gas reserves:

A. The amount committed to Argentina during the 13 years still remaining in the contract is 0.97 tcf, equivalent to 16 percent of our reserves. This is the only reserve committed for export, leaving a balance of 5.03 tcf (84 percent). If this balance is used for internal consumption at a rate of 15 million cubic feet [mcf] per day (current internal consumption barely surpasses 10 million), we would have reserves for 920 years. If the rate of internal consumption were to be increased tenfold, that is to 150 million cubic feet, we would have reserves for 92 years. We make it clear that the figure of 150 mcf exceeds the demands of all our projects concerning gas consumption for domestic and industrial use (metallurgy, foundry, cement, fertilizers etc). It should also be made clear that any planning encompasses 20 years as a general rule, and it is very unusual to extend the planning of resources beyond that time.

B. If a sales agreement is reached with Brazil in the near future, which according to the letter of intent will be 400 mcf per day, it will add up to 2.92 tcf, which is equivalent to 49 percent of our reserves. If we add the figures committed to Argentina and the future sales to Brazil, we would have a balance of 2.11 tcf available for the internal market. The 2.11 tcf used at a rate of 150 mcf per day would be sufficient for national consumption for 40 years.

C. Based on what has been said, the real availability of gas for internal consumption can be established even if the sales contract with Brazil for the amounts indicated is signed. Furthermore, the remaining reserves, after fulfilling our contracted and possible commitments, is more than enough to satisfy our present and future internal needs. Furthermore, when the existing reserves in the fields recently discovered were confirmed, as we said before, we will undoubtedly surpass 7 tcf. Therefore, we will have enough for internal consumption for 57 years at the indicated rate. We reiterate that what has been said did not take into consideration the unquestionable possibility of finding new gas reserves in the future, findings which have ceased due to the shortage of markets for our gas.

Negotiations with Brazil

1. [figure as published] There is a need to clarify that no gas sale contract has been signed with Brazil. What has been negotiated and included for the forthcoming meeting between the energy ministers of Bolivia and Brazil is the signing of a letter of intent by the two countries. This letter establishes the following:

A. The intention of Brazil to purchase Bolivian gas and the supply by Bolivia of up to 400 mcf per day. This volume is in accordance with the cost reduction of the project (scale economy) since this project would not be profitable if the volume were lower.

B. The acceptance of a price policy based on the fact that Bolivian gas will replace liquid fuel in Brazil; therefore, and in the benefit of our country, the fixing of a price will have as a reference the replaced fuel.

C. The opening of a Brazilian market for the products emerging from the development of the southeast area (steel, cement, etc) has been established in accordance with the agreement signed in 1974 between the two countries and later ratified.

D. The construction of a gas pipeline, in accordance with the current agreements, is a basic demand of the project. It should be noted that the gas pipeline is not necessary to transport only the gas which may be sold to Brazil but also to transport the gas needed to fulfill the demands in our own southeast development area.

E. The specific negotiation of the gas sale contract will be carried out after Bolivia has made a detailed evaluation of the draft, an evaluation which will begin immediately.

The minimum income which would result from the gas export to Brazil is: daily supply, 400 mcf; total volume in 20 years, 2.92 tcf; income in 20 years (at current prices), $4.5 billion. Note: the prices of natural gas will be increased during the 20-year period. This could at least double the income for gas exports.

FOREIGN MINISTER DOWNPLAYS PERUVIAN BORDER INCIDENTS

PY280324Y La Paz Radio Panamericana Network in Spanish 0000 GMT 28 Oct 78 PY

[Text] Repeating remarks by his Peruvian colleague, Foreign Minister Ricardo Anaya downplayed the importance of the border incident between Peru and Bolivia which took place some days ago. Anaya stated: The Peruvian ambassador and I spoke about this matter, but mainly to question publicity given to a very unimportant incident by the communications media.

[Begin Anaya recording] Yes, but it is of no importance. It was a mere incident. Yes, I have spoken with the ambassador, but primarily to question the publicity which you have given to a matter of little importance. You can see that this is true by the quickness with which it was solved. Isn't that right? [end recording]

Anaya insisted that the government would listen to the suggestions of political parties with respect to the southern cone conflict. Of course, we will listen to them, he answered dryly.

He added that he did not know anything about a possible meeting between Presidents Pereda and Geisel. The foreign minister insisted that there was nothing new regarding this matter.

Anaya also stated that the joint Bolivian-Chilean commission which will study the replacement of border marker No 38 and others moved by Arauco peasants will begin work in mid-November. The minister said that another commission will be in charge of studying the events in (Tucanal), where Bolivians and Peruvians are accusing each other of having started the recent border incident. Anaya stated: In order to insure the peace of mind of the people, we are obliged to hold these meetings. We hope that all the problems will be cleared up in due time. Goodby, gentlemen. He then left the Quemado Palace.

MINES MINISTER UEKI HEADING MISSION TO PEKING

PY281507Y Rio de Janeiro O GLOBO in Portuguese 27 Oct 78 p 19 PY

[Text] Brasilia--Mines and Energy Minister Shigeaki Ueki left yesterday for Paris, from where he will travel to Peking at the head of a delegation made up of PETROBRAS President Paulo Belotti, officials from INTERBRAS and from the industries and trade and foreign relations ministries and private businessmen.

The minister did not want to discuss any contracts which might be signed with the Chinese, saying that there are some negotiations which must be concluded first and which cannot be announced for commercial reasons. However, it is known that iron ore will be the main issue of the negotiations with the Chinese and that they will reciprocate with petroleum and coke.

According to the minister's explanations, the desire to do business with the PRC stems from the opening of that country toward Western markets, thus giving Brazil the possibility of gaining a new buyer for its product: iron ore. The iron ore which PRC iron and steel mills are currently using is supplied mostly by Australia, the primary world producer of iron ore.

Although the minister refused to confirm this, the first contract to supply iron ore to the PRC will involve $150 million and its duration will be 5 years.

DEPUTY MILITARY CHIEF VOWS NEUTRALITY ON BEAGLE ISSUE

PY281638Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Oct 78 p 7 PY

[Text] The deputy chief of staff of the Brazilian Armed Forces, Rear Adm Ibsen de Gusmao Camara, speaking yesterday at a luncheon held by the diplomatic association at the superior war college on "the geopolitical and economic significance of the South Atlantic," made it very clear that "Brazil must maintain its current neutral position toward the impasse between Argentina and Chile in their conflict over the possession of the Beagle Channel." The admiral said that "this is just my opinion and not the official position of the government," and indicated that the Beagle issue "is a problem which concerns the two countries alone and has nothing to do with us, even from the economic point of view, because the area in question has no significance for the economic problems of our continent." Admiral Gusmao Camara believes that "the owner of that region will be able to commercially exploit a small shrimp known as krill, which is currently whale food but which can be used for human food, especially in the times in which we are living, when hunger prevails throughout the world."

SUBMARINES, FRIGATES TO BE BUILT BY 1980

PY280045Y Brasilia Domestic Service in Portuguese 2200 GMT 27 Oct 78 PY

[Text] Beginning in 1980, Brazil will be building attack submarines and escort frigates to patrol its territorial sea. This information was disclosed by Rear Adm Ibsen Gusmao Camara, deputy chief of staff of the armed forces, during a lecture on the South Atlantic's geopolitical and economic significance for Brazil, to the war college's association of diplomats.

NO COMMENTS FORTHCOMING ON BORDER TALKS' PROGRESS

PY281422Y Santiago Chile Domestic Service in Spanish 1000 GMT 28 Oct 78 PY

[Text] The second Argentine-Chilean joint commission which is discussing the Beagle Channel conflict held several meetings at the Sheraton-San Cristobal Hotel yesterday. Early in the morning the two delegation heads, Francisco Orrego and Ricardo Etcheverry, met at the hotel while parallel meetings were being held by the different work groups.

Francisco Orrego Vicuna indicated that there will be no stateemnts for the present. This attitude was also assumed by Gen Ricardo Etcheverry in response to questions regarding progress of the negotiations. He merely said that the commission has time until 2 November, in line with the Puerto Montt Act, and that the work groups will continue in permanent session. Orrego Vicuna hinted that a partial agreement might be possible.

The second joint commission will conclude 6 months of negotiations next Thursday and, before reaching an agreement, the presidents of the two delegations will submit to their governments the conclusions which they arrive at.

Sources of the joint commission indicated that agreement had been reached with regard to several items at issue, but refused to give any details before the final decision is made.

In the afternoon Gen Ricardo Etcheverry indicated that for the present there will be no official statements regarding the conclusions reached by the commission. On the subject of Foreign Minister Oscar Montes' resignation, Ricardo Etcheverry said that it does not affect the negotiations underway and added that the minister's withdrawal was part of the plans of General Videla's government. He refused to make any further comment on the grounds that the matter was outside his jurisdiction.

NATION WILL DEFEND ITSELF, PINOCHET TELLS YOUTH

PY280111Y Santiago Chile Radio Agricultura Network in Spanish 2300 GMT 27 Oct 78 PY

[Text] President Augusto Pinochet said (?yesterday): If the Chilean-Argentine border dispute ends in war, we will have the necessary means and enough courage to confront Argentina, because Chile is a courageous nation and a staunch nation.

The Chilean president noted: First, however, we will use every legal means. We will not be the aggressors, but we will defend ourselves at the risk of our own lives because our fatherland will never be dishonored [words indistinct] a speech at the end of a working meeting with more than 2,500 youth leaders from throughout the country.

He said that Chile is now in the midst of an international issue. He added: We submitted this issue to the international courts. The decision was favorable to Chile. Consequently, the law is on our side. We are right, and from this point of view we can face any situation.

EL MERCURIO CITES APPEAL TO THE HAGUE AS POSSIBILITY

PY272241Y Paris AFP in Spanish 0258 GMT 27 Oct 78 PY

[Excerpts] Santiago, 26 Oct (AFP)--The newspaper EL MERCURIO today commented on the Beagle Channel problem by saying that the Argentine Government should realize that belligerence toward Chile is futile and harmful.

In its Friday edition the paper wrote that it has been repeatedly stated in Argentina that if no agreement is reached in the talks being held by the joint commission, there will be no other option but armed confrontation.

The newspaper added: Argentina seems to have completely forgotten that there is an existing treaty in effect with regard to the legal solution of disputes, which obliges the parties to submit all differences which have not been solved through direct negotiation to The Hague court.

With respect to this, EL MERCURIO posed the following question: Will the Argentine Government dare to repudiate this treaty too, as it did the British arbitral decision which it had promised to honor?

It is difficult to believe this, the newspaper commented, because that would mean that Argentina is set on isolating itself from the inter-American legal community, forcing Chile to make use of this option unilaterally.

EXPLOSIVE DEVICE DAMAGES ARGENTINE CONSULATE

FY271825Y Santiago Chile Domestic Service in Spanish 1630 GMT 27 Oct 78 FY

[Text] Gen Rene Vidal, secretary general of government, has commented on an attack which took place in front of the Argentine Consulate. The government regretted and condemned the explosion which occurred early today on Miraflores Street. The explosion broke some glass windows.

When Vidal was asked about this incident, he said: [Begin recording] I would like to say that this is a very regrettable incident and an investigation is being carried out to find the perpetrators of this attack, an attack which does not coincide with the government's policies and what the real spirit (?of the Chilean people) [words indistinct]. We have always faced any of our problems through dialog and understanding. An event like this is completely foreign to our feelings and we are the first to regret it. We are now investigating and once we know more about it, the public will be informed. [end recording]

In conclusion, Vidal reiterated the government's repudiation of an incident of this nature. The social communications division later released the following communique:

On 27 October at 0300, an explosive device detonated inside a trash can in front of the Argentine Consulate at Miraflores and Huerfanos streets, causing the breakage of some windows but no personal injury. After pieces of the bomb were analyzed by experts of the CMI [expansion unknown], it was established that it is the same type used by the Movement of the Revolutionary Left (MIR) on previous occasions of which the public is already aware.

The government strongly condemns this attack and has ordered the appropriate investigation to locate those responsible for this incident which is contrary to the spirit of peace and friendship advocated by the Chilean people and government.

BRIEFS

BRAZILIAN GENERAL'S VISIT--Gen Florimar Campello, Brazilian deputy army chief of staff, today started his official visit to Chile by holding a meeting with Gen Washington Carrasco, Chilean Army chief of staff. During the meeting the generals exchanged gifts. Immediately after, General Campello and his entourage met Lt Gen Carlos Forestier, Chilean Army deputy commander. After meeting Chilean Defense Minister Cesar Benavides, General Campello met President Augusto Pinochet at government house. [Santiago Chile Domestic Service in Spanish 1630 GMT 25 Oct 78 FY]

PRESIDENT ASKS BANKERS TO SUPPORT DEVELOPMENT

PA282125Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 28 Oct 78 PA

[Text] President Julio Cesar Turbay Ayala invited the nation's manufacturers to work vigorously in order to cement a solid future in which the president's objectives will be attained. Speaking in Cartagena at the close of the national banking convention, the chief of state repeated that the financing sector has played a role in current development efforts and pointed out that many financiers have led these efforts. He said that the leaders of the banking institutions are partially responsible for the difficult task of financing development projects and promoting Colombia's prosperity with enthusiasm and dedication, as they have done in the past. In this way, they will earn the respect of Colombians and foreigners who recognize the seriousness and stability of the Colombian financial system. The president also emphasized the fact that Congress has already taken the first steps to create a commission for this plan.

The president said: [Begin Turbay Ayala recording] I am pleased to see that the Congress of the republic has taken the first steps to establish the commission, whose members will be consulted by the chief executive on financial matters. The decentralization of planning and progress, it is worth mentioning, will lead to efficient exploitation of productive potentials in various regions, and certainly we will find comparative advantages for our export products. The government will use many methods to promote this process. As an example I will cite only the traditional industry, agrobusiness, industrial complexes, free zones....[end recording]

The president reiterated the need for the private sector to support the government initiatives to promote the nation's social and economic development.

BANKERS SUPPORT PROPOSED GOVERNMENT WAGE INCREASE STUDY

PA282126Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 28 Oct 78 PA

[Text] The Colombian banking sector supports the government's proposal to reach an agreement on salaries and wages with labor and management circles. Alfonso Davila Ortiz, president of the banking association, pointed out that it is necessary to increase salary scales in Colombia but added that this policy should be subjected to careful scrutiny by the private and public sectors to avoid excessive raises that would render the wage increases ineffective through an inflationary spiral. The banking sector will be represented at the meeting on wage and salary policies at San Carlos Palace on Monday. President Turbay Ayala, the labor minister, and the Union of Workers of Colombia and the Confederation of Workers of Colombia will attend the meeting.

JUDGES DECIARE OPPOSITION TO SECURITY STATUTE

PA291923Y Madrid EFE in Spanish 1603 GMT 29 Oct 78 PA

[Text] Bogota, 29 Oct (EFE)--Colombian judges today reiterated their opposition to the controversial security statute and said that it "violates" human rights and the country's democratic freedoms. The position of the judges was announced following a series of national and regional meetings called by the National Association of Judiciary Branch Officials and Employees to discuss the statute which, according to the government, is aimed at stopping the country's crimewave.

Beside outlining the dangers posed by the statute, the judges insist that, according to law, they are the persons empowered to investigate and try the crimes listed by the statute but that, instead, they are being replaced by military judges.

Other circles claim that the security statute is being used to curb freedom of expression and to create the false impression that the country is free of labor, political and economic conflicts.

The Supreme Court is already studying the constitutionality or unconstitutionality of the measure. The court's debates evidence that there are differing opinions among the justices. Some of them feel that it is unconstitutional, whereas others support it.

84 PERSONS ARRESTED ON SUBVERSION CHARGES

PA272209Y Bogota EL ESPECTADOR in Spanish 24 Oct 78 pp 1A, 9A PA

[Text] Brig Gen Miguel Vega Uribe, commander of the Military Institutes Brigade (BIM), revealed yesterday in a statement to EL ESPECTADOR that 84 people have been arrested in the past few days in various parts of the country on charges of involvement in subversive activities.

General Vega reported that five military court judges are conducting the pertinent investigations and that after they begin the public will be informed of the charges filed against the accused and the subversive movements to which they belong.

The BIM commander also stated that 63 prisoners are men and 21 are women and that they were arrested in Bogota, Cali, Popayan, Medellin, on the Atlantic coast and in certain rural areas.

Finally, General Vega Uribe said that the prisoners are being kept in several garrisons. They are at the disposal of five judges who are in charge of the investigations.

It is believed that the arrests in Bogota and Cundinamarca number more than 30. Most of them have already been questioned and their legal status will be resolved within the next few days.

As EL ESPECTADOR reported on Saturday, the arrests were made following a 2-month investigation.

In addition to the arrests, the state's intelligence services confiscated a large number of short- and long-range weapons, ammunition, clothing and other materials used by the military forces and subversive propaganda.

The series of raids began about 10 days ago in a joint action of the DAS [Administrative Department of Security], B-2 and F-2, which have been working together to bring seditious activities under control.

RESTRICTIONS ON RADIO STATIONS TO CONTINUE

PA291950Y Bogota Cadena Radial Super in Spanish 1730 GMT 29 Oct 78 PA

[Text] Bogota--The restrictions imposed by the government on the radio communications media will not be lifted until it is shown that the public order situation that led to the imposition of the measure has been sufficiently improved. Communications Minister Jose Manuel Arias Carrizosa made the above statement in response to a question asked by this station. The official added that the government wants the communications media affected by this measure to once again enjoy the full freedoms they previously enjoyed so that they can report on all public events without difficulties.

MINISTRY ISSUES COMMUNIQUE ON NICARAGUAN REFUGEES

PA271441Y Buenos Aires LATIN in Spanish 0334 GMT 27 Oct 78 PA

[Text] Mexico City, 26 Oct (LATIN)--Mexico has granted diplomatic asylum to 7 members of the Nicaraguan opposition "Group of 12," and is preparing to send food, clothes and medicine to the 122 Nicaraguan refugees in the Mexican Embassy in Managua, it was officially announced here this evening.

A communique released by the Secretariat of Foreign Relations said that the Mexican Embassy notified the Nicaraguan Foreign Ministry of the request for safe-conducts for the seven refugees to leave the country.

It noted that those who sought asylum are: Miguel B. Schot, Fernando Cardenal, Sergio Ramirez Mercado, Ricardo Coronel Kautz, Joaquin Cuadra Chamorro, Ernesto Castillo Martinez and Emilio Baltodano Pallais.

"The request for asylum by these members of the Group of 12 came immediately after the group decided to leave the Broad Opposition Front due to reported disagreements over the course being taken by international mediation efforts," said the official communique.

'GROUP OF 12' MEMBERS SAY SANDINIST OFFENSIVE IMMINENT

PA290241Y Madrid EFE in Spanish 2247 GMT 28 Oct 78 PA

[Text] Mexico City, 28 Oct (EFE)--Carlos Gutierrez and Casimiro Sotelo, members of the opposition Group of 12, said here today that the Nicaraguan Sandinist guerrillas have sufficient weapons to begin a new offensive in Nicaragua.

In statements to ULTIMAS NOTICIAS DE EXCELSIOR, the two leaders also said that numerous contingents of Latin American youths have entered Nicaraguan territory during the past few hours to join the Sandinists.

Gutierrez and Sotelo added that the offensive recently announced by Eden Pastora, Commander Cero, who has been designated top chief of the Sandinist army, is imminent. They indicated that bomb explosions and shootings in Managua in the past few hours are the first indications of what will occur "soon."

They said that the Sandinists have U.S. and Spanish weapons which were seized from members of the National Guard and bought from Somozist military chiefs.

The newspaper indicated that Gutierrez and Sotelo arrived in Mexico recently after the Group of 12 withdrew from negotiations with an international mediation commission. The Group of 12 accused the commission of proposing formulas that would retain Somozism.

STUDENT BRIGADE AGAINST SOMOZA DISPARAGED AS OPPORTUNIST

PA271655Y Panama City Radio Hogar in Spanish 1230 GMT 27 Oct 78 PA

[Milciades Ortiz commentary on "Radioperiodico Conciencia" program]

[Text] Ideological sectarianism and a desire for publicity were the reasons that led the Federation of Panamanian Students [FEP] to establish the second brigade of Panamanian volunteers to fight against Somoza. Although there is no assurance that this group of FEP youth will really come across and will be given physical and military training, the attitude of the student organization, with its self-styled Tomas Herrera Brigade, reflects FEP's political dwarfism. FEP leaders came to Commandant Hugo Spadafora to offer him a battalion of well-trained young men. The offer was accepted, of course. But without even giving an excuse, FEP did not produce its volunteers, who supposedly were to be counted in the scores. Hence, it appears that FEP is an organization which talks a lot but does little.

Nobody can be forced to be brave or give up his life for the sake of another country such as Nicaragua. Obviously, FEP could not permit Spadafora and his aides to be the top leaders of the Victoriano Lorenzo Brigade. It wanted its own political leaders on top. That is why they are now talking about a special FEP brigade, as if idealism and repudiation of the Somoza dictatorship allow a separation of the persons and leaders who want to fight it. Gentlemen of the FEP: One does not fight in Nicaragua to become famous or appear in the newspaper!

GOVERNMENT AND TEACHERS REACH AGREEMENT

Teachers' 26 Oct Demands

PA271508Y Panama City Televisora Nacional in Spanish 0400 GMT 27 Oct 78 PA

[Statement issued at the conclusion of 26 October meeting of striking teachers at the gymnasium of the National Institute in Panama City; read by Julio Cesar Ortiz, president of the Association of Professors of Panama--recorded]

[Text] The Executive Committee of the Association of Professors, the Authentic Independent Teachers Movement and the Association of Private School Teachers, considering:

1. That based on the resolutions issued during the meeting held today at the National Institute it has been concluded that the teachers' list of aspirations has not been concretely satisfied;
2. That the minister must give adequate and specific answers to the list of demands by giving dates and the length of time required for the satisfaction of each demand;
3. That work commissions should be chosen this week;
4. That Monsignor McGrath is to be the depositary for the agreements reached;

Resolves:

1. To demand that the education minister give specific answers to all of the points in our list of aspirations.
2. To ask the negotiating commission composed of the Association of Professors, the Independent Teachers Movement and the Association of Private School Teachers to meet with the minister as soon as possible--tomorrow at 1000--if possible.

This commission will be strengthened with representatives from provincial committees: Two from Azuero Province, two from Veraguas, two from Colon, two from Chiriqui and two from Cocle.

4. [as heard] All agreements reached will be represented in a written document signed by the president and the education minister.

5. All of the answers will be evaluated by the rank and file. Panama City, 26 October 1978; signed by Julio Cesar Ortiz, secretary general of the Association of Professors; Marcos Alarcon representing the independent teachers; and Comrade Solis for the Associa- of Private School Teachers.

Negotiations Conclude Strike

PA290345Y Panama City Televisora Nacional in Spanish 2315 GMT 28 Oct 78 PA

[Correspondent Ivan Zurita report from Education Ministry in Panama City--live]

[Text] During negotiations in the office of Education Minister Gustavo Garcia de Paredes, the national government and teachers' associations arrived at a final agreement which put an end to the crisis affecting national education for the past 3 weeks. First we must report that the two [as heard] teachers' associations, the Association of Professors of the Republic of Panama, the Authentic Independent Teachers Movement and the Association of Private School Teachers agreed emphatically to reject the salary proposals of a $40 increase in January 1979 and another of $15 in June 1980. On the other hand, they accept the government's reply to all the other points in their demands as announced by the Education Ministry, including some adjustments made during the negotiations yesterday and today.

Education Minister Gustavo Garcia de Paredes participated in the negotiations yesterday as well as Deputy Minister Clara Nimia del Vasto, Planning Director Nelly Borrero and the ministry's legal adviser. The teachers' associations were represented by delegates from provincial chapters, including Marcos Alarcon for the Authentic Teachers' Association, Julio Ortiz for the Association of Professors and Gilberto Solis for the private school teachers.

We therefore report that private schools will resume classes next Monday according to the teachers' decision. Government schools could reopen next Tuesday or on Monday, 6 November, because of national holidays. Representatives of government school teachers will report to their associations on the results next Monday during meetings to be held in various schools.

Teachers' Leaders Interviewed

PA290448Y Panama City Televisora Nacional in Spanish 0203 GMT 29 Oct 78 PA

[Interview with Julio Cesar Ortiz and Marcos Alarcon, leaders of striking teachers' organizations, by Televisora Nacional correspondent Ivan Zurita at Education Ministry, date not given--recorded]

[Excerpt] [Question] Professor Ortiz, as secretary general of the Association of Professors, could you tell us what are the terms of the agreement reached after 2 days in the last round of negotiations?

[Cesar Ortiz] Before replying, I want to thank the education minister for his efforts and for the manner in which the negotiations were conducted. We will present an evaluation of the Ministry of Education's proposal on Tuesday at 0800. This evaluation will have a democratic aspect because the association members will give the final word.

[Question] This covers the general academic demands; but what is the situation concerning the salary adjustment requested from the national government--what is the teachers' final attitude?

[Cesar Ortiz] Our final attitude was explained a while ago to the education minister. We told him to inform the government that the professors' association rejects the salary adjustment proposed by the national government.

[Question] Is there any special message for professors throughout the nation who are members of the organization?

[Cesar Ortiz] Yes, simply that the association leaders have always been ready to express their feelings and that we shall always respect their opinions. We also want to inform the country that our association is now, and will always be, ready to defend the rights of Panamanian teachers.

[Question] Would you please tell us about the attitude of the Authentic Independent Teachers Movement regarding the national government's proposals.

[Alarcon] Objectively, as a leader of the independent teachers, I do not believe that the government's reply to our demands is satisfactory. I have even protested the lack of definition in some of the government's replies. Concerning the salary dispute, teachers must always be aware of their dignity and the respect they deserve. Since the government's salary offer has been presented as an ultimatum, we reject it entirely and protest what we consider the almost continuous practice of imposing settlements without consultation, as should be the case in a true democracy.

[Question] Therefore, your organization and other teachers' organizations have decided to reject the salary offer. Can we assume that the government's reply to the teachers' demands is being accepted in spite of its ambiguity on some points?

[Alarcon] Implicitly, no, because we have always used consultation with the members. They must finally decide if the government's reply is acceptable or not, and I believe that the members must be aware that some of our demands are not ultimatums but merely attempts to call attention to the disrespect toward teachers when the laws are continually violated. Therefore, the teachers must decide if they will accept the ministry's continued violation of the law as is the case on the maximum 28-hour week and the 35 students per teacher. The minister has said that he cannot promise to abide by this law.

[Question] Mr Alarcon, after this agreement in principle to which you have arrived following 2 days of final negotiations, could you tell us when you expect classes to resume?

[Alarcon] As a leader I believe--if the other members also agree--that our reply is a result of what we consider an imposition by the government. In this case what else can we, the weak, do? Teachers are traditionally civic-minded persons acting within a framework of decency. I believe that the government has not clearly understood our struggle. We have benefited because we have established unity among teachers, and I hope it is maintained. We have expressed our protest before the government's reply and will not attend any public ceremony on the national holidays on 3 and 4 November. We are Panamanians. I am a nationalist and am essentially anti-imperialist. I believe that in view of the situation I can only advise our members as Panamanians to go to their respective schools on 3 and 4 November, salute the flag, sing the national anthem and go home.

[Question] This covers your participation in the independence anniversary celebration, but what can you tell the country concerning educational activities?

[Alarcon] I will suggest to our members that they accept the terms imposed and return to the classrooms under protest on Wednesday. We shall publish our protest on that day.

Private School Teachers' Communique

PA300130Y Panama City Circuito RPC Television in Spanish 2130 GMT 29 Oct 78 PA

[Communique of the Association of Private School Teachers]

[Text] In a meeting held today, 29 October at the Javier School gymnasium attended by chapters of various private schools, the Association of Private School Teachers decided:

1. A meeting will be held tomorrow at 0800 in each private school to evaluate the agreement concluded between the national government and the teachers' mediation commission;

2. The decision of each chapter will be presented at an assembly of delegates at 1500 tomorrow in the Javier School gymnasium;

3. This decision will be submitted to the education minister on 31 October at 0800;

4. Therefore, the return to classes will be announced in due time.

[Signed] Gilberto Solis and Luisa de Wilson, president and secretary of the association

OFFICIALS OUTLINE FOREIGN POLICY FOR BUSINESSMEN

PA272122Y Panama City Domestic Service in Spanish 1730 GMT 27 Oct 78 PA

[Text] Yesterday evening an important meeting took place at the Las American Room of the Holiday Inn [in Panama City] between the Panamanian Association of Business Executives [APEDE] and Foreign Minister Carlos Ozores and a team of Foreign Ministry officials. The national government was also represented by Dr Jorge Illueca, our country's permanent representative at the United Nations, and by Pedro Brin Martinez, director of international organizations.

After pointing out the need for, and suitability of, this type of dialog with the private enterprise sector and the public, Minister Ozores commented on the basic principles of Panama's foreign policy as outlined in the official document issued by the Foreign Ministry on 19 July 1978.

With regard to these foreign policy principles, Foreign Minister Ozores stated: [Begin Ozores recording] The position stated on that occasion, which continues in effect, arose from the need to implement a fundamental study of the objectives of Panama's foreign policy so that this policy will conform with today's new realities. This position also includes an analysis of the fundamental recovery of our territorial sovereignty and integrity achieved under the leadership of General Torrijos.

Panama currently has urgent problems that must be solved. These problems are in important areas such as national security, interoceanic communications, employment, health, education, housing, culture, public finance, economics, commerce, industry, agriculture, livestock, transportation, technology and national development. Many of these problems can be resolved only through international cooperation and by exerting influence on the sections of other states. [end recording]

The foreign minister then said: [Begin Ozores recording] In administering its foreign policy, Panama will strictly comply with international legal principles that promote friendship and cooperation among nations in line with the UN Charter. Therefore, in carrying out its foreign policy objectives, Panama will seek support from friendly countries in the region, through consultations, through the actions of the Latin American group, in the United Nations, in the Group of 77 which arose from the first [word indistinct] and which comprises the Latin American countries and the developing countries of Asia, Africa, and in the nonalined movement to which Panama belongs. [end recording]

Later, Minister Ozores answered many questions posed to him by APEDE members regarding the mechanisms of Panama's foreign policy. Responding to a question on Panama's future commercial links with socialist states, the foreign minister recalled that a short time ago the government sent a delegation of government officials and private sector represenatives to Europe.

Concerning the mission carried out by the delegation, Brin Martinez said: [Begin Brin recording] The fact is that questions have often been asked regarding a recent official visit of public officials and members of the private sector to socialist countries in Eastern Europe. I would say that what we should ask ourselves is why we did not go earlier. As you know, there is a principle of mutual cooperation and friendship among states. The framework of the new international economic order insures that developing countries can seek new commercial and economic relations throughout the world. Based on this concept, the Panamanian delegation decided to visit the East European socialist countries.

Without pretending to represent the opinion of the delegation members, I can tell you that Panama is greatly interested in establishing commercial and economic understanding with those countries. Based on a new concept of interstate relations, commercial and economic links that will benefit Eastern and Western countries, particularly the developing countries, can be established. [end recording]

Dr Jorge Illueca commented: [Begin Illueca recording] This opening of exchanges with socialist countries is not an isolated action in Panama's foreign policy. It responds to an international development strategy. The socialist countries, according to UNCTAD, are not contributing adequately to the development of the Third World. For this reason, one of the main topics of the UN conferences on commerce and development is the cooperation of the socialist countries with developing countries. Therefore, this action responds to the development strategy of the United Nations. [end recording]

During the meeting between APEDE and the Foreign Ministry team, many other important foreign policy matters were discussed. This served to clarify positions for both sides.

More on Foreign Policy

PA282107Y Panama City LA ESTRELLA DE PANAMA in Spanish 28 Oct 78 pp 1, 28 PA

[Text] Panama and the United States will jointly carry out a great international offensive to urge all countries of the world to adhere to the neutrality treaty on the Panama Canal. This statement was made by Foreign Minister Dr Carlos Ozores Typaldos during his meeting with the Panamanian Association of Business Executives to discuss Panamanian foreign policy.

Foreign Minister Ozores said that this initiative was promoted by U.S. Ambassador Ambler H. Moss. Panama and the United States, as "partners in the same cause," will launch an international offensive to urge the countries of the world to adhere to the neutrality treaty on the Panama Canal. This offensive will begin as soon as the treaty goes into effect in October 1979.

Dr Ozores stated: "The success of failure of this international policy will depend basically on institutional cohesion within the administration and on the thoughtful support it receives from the nation."

Dr Ozores, who was accompanied by Dr Jorge Illueca, Pedro Brin Martinez, Luis Arrieta Aleman and Dr Alfredo Castillero, explained details of Panama's foreign policy to the business executives.

Dr Ozores stated that there is "a need for a fundamental revision of the objectives of Panama's foreign policy so that it responds to the realities of today. "

"Panama," he said, "currently has urgent problems that must be solved. These problems are in such important areas as national security, interoceanic communications, employment, health, education, housing, culture, public finance, economics, commerce, industry, agriculture, livestock, transportation, technology and national development.

Regarding the Panamanian people's needs, and in line with national interests, the Panamanian Government will devote priority attention to the following foreign policy objectives:

1. To stimulate the process of restoration of Panama's territorial integrity and national sovereignty as acknowledged in the Panama Canal treaties of 1977;

2. On the international level, to insure Panama's sovereign rights throughout its territory, including the subsoil, national waters, territorial waters, the continental shelf, airspace, marginal waters and corresponding areas of rivers bordering other countries;

3. To achieve universal recognition of the permanent neutrality of the Panama Canal;

4. To promote the idea of Latin American unity and integration visualized by the liberator when he called for the amphictyonic congress held in Panama in 1826; establishment of the Latin American economic system through the Panama agreement of 1975 and the creation of a Latin American Export Bank with headquarters in Panama in 1977 are practical examples of the fundamental objectives of Panama's foreign policy;

5. To contribute to the best utilization of the Panamanian nation's geographic position and natural resources through bilateral and multilateral cooperation efforts, at both regional and world levels, by means of direct negotiations and through international organizations in order to accelerate national development in line with the establishment of a new international economic order;

6. To maintain the highest degree of cordiality and cooperation in Panama's relations with the neighboring republics of Colombia and Costa Rica and to seek an agreement on a border policy that will stimulate the joint development of border regions on nationa, bilateral and multinational bases.

Foreign Minister Ozores stated: "Panama supports human rights and fundamental liberties and gives priority importance to respect for, implementation and effectiveness of human rights of an economic and social nature since, in our opinion, hunger, misery, unemployment and the lack of economic protection are negative factors for the dignity of human beings."

Foreign Minister Ozores' outline of Panamanian foreign policy prompted an exchange of questions and answers among the business executives and Foreign Ministry officials.

The formation here of a group of fighters opposed to Gen Anastasio Somoza's regime, the interpretation of the concepts of the nonalined movement and the Third World, consular revenues, and relations with socialist countries were the main topics of the dialog.

The executives asked about the protection being given to the Sandinists, the organization of a new group of fighters and diplomatic relations with the Nicaraguan Government.

It was explained that it was humanitarian intervention by the Republic of Panama that prevented the attack on the National Palace in Managua from having a tragic outcome. Our country "has only served as a bridge" between the Nicaraguan Government and its opponents. Sandinists who arrive here do not remain very long. They are sent to other countries as soon as possible.

The Panamanian Embassy in Managua cannot be closed because it has become a sanctuary for those persecuted by the Somoza regime. Relations between Panama and Nicaragua are tense, but they will not be severed. There are many Panamanians in Nicaragua who need our diplomatic mission. There are even commercial relations that would suffer from closing our diplomatic mission.

The presence of Panamanian Air Force helicopters in Costa Rica was brought up. It was explained that the request for those helicopters came from the Costa Rican Government, which asked for support to defend its territory. At no time did Panamanian helicopters overfly Nicaraguan territory.

According to information produced during the panel discussion, the Foreign Ministry is self-supporting. In consular revenue alone, the institution earns approximately 13 million balboas yearly. The operations budget of the Foreign Ministry is 6.5 million balboas.

CANAL AUTHORITY EXECTIVE COMMITTEE APPOINTED

PA272059Y Panama City Circuito RPC Television in Spanish 1800 GMT 27 Oct 78 PA

[Text] U.S. Secretary of the Army Clifford Alexander, Under Secretary Michael Blumenthal, Canal Zone Governor Harold Parfitt and Panamanian representatives Rodrigo Gonzalez Jurado, Edwin Fabrega, Fernando Manfredo and Gabriel Lewis Galindo held a brief press conference at noon at the administration building in the Canal Zone. They had just heard the reports of four committees on the implementation of the new canal treaties. The reports were made by the railroads, courts, environment and (?census) committees.

The most important part of the press conference was Fabrega's announcement of the Panamanian Government's appointment of the Executive Committee of the Panama Canal Authority.

[Begin [Fabrega] recording] I want to make an announcement. I want to inform you that the president of the republic has appointed the Executive Committee of the Panama Canal Authority which is the Panamanian Government's agency that will assume responsibility for properties and duties returned to Panama. This Executive Committee is composed of the foreign minister, the planning minister, the finance and treasury minister, myself as director general, Colonel Armando Contreras, and Fernando Manfredo. This Executive Committee will replace the preparatory commission for the implementation of the treaties and is the beginning of a new Panamanian entity to bear these responsibilities.

[Question] What is the name of the committee?

[Fabrega] The Executive Committee of the Panama Canal Authority. [end recording]

COSTA RICA

NICARAGUAN REFUGEES COMPLAIN OF 'IRREGULARITIES'

PA291552Y San Jose Radio Reloj in Spanish 1330 GMT 29 Oct 78 PA

[Text] Nicaraguan citizens living in refugee camps have denounced a number of serious irregularities. They are demanding a chance to work and study and, according to them, after having exhausted all administrative resources, they are now demanding the Costa Rican people's solidarity. The Nicaraguans added that as a result of the massive vaccination campaign, many of them are suffering from whooping cough and a number of skin diseases. All these views have been presented to President Carazo, who visited Guanacaste yesterday.

After about 1 month in this country, the Nicaraguan refugees feel that the Costa Rican Government has not provided them with the necessary opportunities to seek jobs and attend classes. The Central Committee met yesterday and asked for the Costa Rican citizens' help because they feel that they have exhausted the usual channels involving the authorities. According to the Nicaraguans, whenever they look for a job they are told that a permit is required, but when they request the permit they are told that a formal job offer is necessary.

PRESIDENT CARAZO QUOTED ON PARALYZED ECONOMY

PA292005Y Panama City ACAN in Spanish 1545 GMT 29 Oct 78 PA

[Text] San Jose, 29 Oct (ACAN-EFE)--According to Costa Rican President Rodrigo Carazo Odio, half of the country's economy is paralyzed because 50 percent of the banking credits have been frozen. The president blamed a minority group for the situation, saying that they have been taking advantage of credit with low interest rates.

The country is suffering from a serious problem in regard to a shortage of credit resources partly because [under] previous administrations these resources were given to exclusive and privileged groups, Carazo affirmed.

According to him, the main problem is that those resources cannot be recovered quickly, mainly because the credits were granted on a long-term basis. We plan to extend credit, but will not do so at low interest rates or among a few people, the president concluded.

EL SALVADOR

PRESIDENT REPORTED VISITING U.S. 'FOR PERSONAL REASONS'

PA272200Y Paris AFP in Spanish 1813 GMT 27 Oct 78 PA

[Text] San Salvador, 27 Oct (AFP)--It was learned here today that Salvadoran President Carlos Romero left suddenly for the United States last night. The chief of state departed amid strict secrecy, exercising a congressional permit which authorizes him to leave the country whenever he wants.

An official source consulted by AFP pointed out that the president took advantage of the weekend to go to the United States, hinting that he did so for personal reasons. Rumor here has it that Carlos Romero made the trip because his wife, who was recently in Egypt, is ill in a hospital in the United States. The rumor was officially denied, and it was noted that the chief of state will return to El Salvador on Sunday.

REVOLUTIONARY PEOPLE'S ARMY REPORTS THREE MEMBERS KILLED

PA272327Y Panama City ACAN in Spanish 0441 GMT 27 Oct 78 PA

[Text] San Salvador, 26 Oct (ACAN-EFE)--The Revolutionary People's Army [ERP] issued a communique today revealing that it has sustained three casualties in its ranks in isolated incidents. It said that leader Edgardo Antonio Salmeron was killed on 18 September in the vicinity of the National Zoo of San Salvador. He was shot to death as he was walking in the area, not taking part in any action.

On 13 October three ERP members were confronted by soldiers in El Conacaste, near the Opico Artillery Brigade. "Chencho," or Jose Alberto Flamenco, was killed there.

Finally, after criticizing the government and the capitalistic system, the ERP said that one of its leaders, known as "Chelo," was killed in Moncagua, northeastern El Salvador, on 20 October while conducting propaganda activities. The communique said that several security agents were wounded in this incident.

GUATEMALA

STUDENT LEADER'S ASSASSINATION DENOUNCED

Government Denies Complicity

PA290349Y Guatemala City DIARIO DE CENTRO AMERICA in Spanish 23 Oct 78 p 3 PA

[Text] Maj Rolando Archila Marroquin, under secretary of public relations of the Presidency, has said that charges regarding the government's alleged responsibility in Friday's killing of Oliverio Castaneda, secretary general of the University Students Association [AEU], are groundless.

Archila Marroquin emphatically rejected those speculations which seek to create problems for the government. He added that the government is the party most interested in creating and maintaining order and peace among all sectors, and therefore is the one which could least promote that kind of criminal action.

Government Minister Donaldo Alvarez Ruiz also expressed regret over the death of the student leader, adding that security forces are actively investigating the origin of the crime in order to punish those responsible. He said that the license plates of the vehicles used to attack Castaneda are false and do not belong to the security forces, as has been maliciously stated. The Public Relations Secretariat of the Presidency issued the following bulletin on Friday regarding Castaneda's death:

"The government of the republic notifies the Guatemalan people that at 1300 today Oliverio Castaneda de Leon, president of the AEU, was assassinated on 6th Avenue and 8th Street, Zone 1. The following persons were wounded during the condemnable action: Marina del Carmen Palencia Revolorio, Manuel de Jesus Revolorio Palencia, Eufrasia Revoloria Ramos, Pedro Larios Morales and Jairo Jose Garcia Revolorio.

"Immediately after learning of the event, the government security forces began the pertinent investigations to find and bring to trial those responsible.

"The government calls upon the Guatemalan people to cooperate with security forces so that the full weight of the law will fall on those responsible for such a condemnable crime.

"The government of the republic laments, rejects and condemns such an abominable crime committed by extremist groups, which at all costs want to destroy the institutions of the country, promoting situations such as this in an attempt to blame the government.

"Regretting and condemning this crime, the government of the republic expresses its condolences to the University of San Carlos, the AEU and the family of student leader Oliverio Castaneda de Leon.

"The government of the republic reiterates once more its decision to fight against groups which act violently outside the law and condemns violence from any sector. With these loathsome criminal actions the enemies of social peace are trying to make martyrs for their evil objectives."

Public Demonstration

PA272141Y Panama City ACAN in Spanish 0155 GMT 27 Oct 78 PA

[Text] Guatemala City, 27 Oct (ACAN-EFE)--Thousands of students and workers staged a public demonstration here today over the assassination of Oliverio Castaneda, secretary general of the University Students Association. The demonstration took place without incident.

The demonstrators marched in an orderly manner through the main streets of the downtown area, 100 meters from the government palace where Castaneda was shot to death by unidentified persons on 20 October. The demonstration ended with a rally at the site where the top Guatemalan student leader was machinegunned. At the rally several speakers condemned the crime and blamed government security forces for it.

The march took place amid great tension, since the clandestine Secret Anticommunist Army had threatened to execute six alleged "communists" today. The guerrilla group said that it has tried six persons and sentenced them to death.

It was noted during the demonstration that Castaneda was assassinated at the end of a public rally commemorating the 34th anniversary of the October revolution which overthrew dictator Jorge Ubico. The demonstrators carried red carnations and placards condemning the assassination. During the march they chanted slogans against the government and in tribute to the dead student leader.

ILLEGAL PARAMILITARY GROUPS TO BE DISARMED

PA281609Y Paris AFP in Spanish 0518 GMT 28 Oct 78 PA

[Text] Guatemala City, 27 Oct (AFP)--Guatemalan Defense Minister Gen Otto Spiegeler announced here today that the paramilitary groups operating in the country will be disarmed. Only the legally established army and police force may carry arms and take part in exercising control and maintaining order in Guatemala, he declared. The announcement comes at a time when an escalation of violence is shaking the country.

Official sources have said nothing regarding a petition--released in Washington today--from the U.S. section of Amnesty International to President Gen Romero Lucas asking for the protection of 38 educators, union leaders, newsmen and student leaders who have received death threats from an alleged Secret Anticommunist Army. Presidency Public Relations Secretary Carlos Toledo Vielmann said only that the government is concerned over the death threats being continuously made by the secret anticommunist group.

ARMY DISMANTLES SANDINIST GUERRILLA CAMPS

PA272138Y Panama City ACAN in Spanish 0438 GMT 27 Oct 78 PA

[By Armando Cerrato]

[Text] Tegucigalpa, 26 Oct (ACAN-EFE)--The Honduran Army has dismantled three guerrilla camps which Nicaraguan Sandinists set up recently in Honduran territory. The camps were operating on La Concordia estate near Tegucigalpa and El Junquillo and Las Delicias estates in the eastern department of El Paraiso on the border with Nicaragua.

Two of the commanders--"Marcos," who did not wish to give his real name, and Walter Ferretti Fonseca, alias "Commander Halcon"--are Nicaraguans and were training at Las Delicias and La Concordia respectively. On the other hand, the commander and instructor of El Junquillo, Mario Joaquin Arthur, better known to the guerrillas as "Abel Rivera," is Panamanian. Pictures of all of them, with their faces covered with handkerchiefs, including a woman identified as "Marta," with her left arm in a cast and sling, were released to Honduran newsmen today, Thursday.

At the same time, Herman Allan Padgett, press secretary of the governing military junta, reiterated the executive's determination to remain absolutely neutral in the internal affairs of Nicaragua and any other people. "Neutrality," he said, "is indispensable. We Hondurans have no alternative. We will observe neutrality to the maximum and prevent our territory from becoming a guerrilla sanctuary or the hunting preserve of foreign government forces." Padgett also released photos of the arsenal which the army says it confiscated from the guerrillas. It includes an M-3 submachinegun, an M-1 Garand rifle, an FAL rifle, several .22 calibre rifles, shotguns, a .38 caliber pistol and 2 automatic pistols. There were also medicines, a woman's wig and a few leaflets outling the minimum government plan of the Sandinist National Liberation Front of Nicaragua and other leaflets with Sandinist doctrine.

The press secretary disclosed that he had met with the Sandinists and that the leaders had denied being commanders, saying that that "rank is won in combat and we are only instructors." Panamanian Mario Joaquin Arthur revealed that he had entered Honduras via San Jose, Managua and then Tegucigalpa, and that he is an instructor. The estates on which the camps were operating belong to prominent members of the Liberal Party, one of Honduras' two traditional parties. The owners denied knowledge of the existence of the camps or the weapons, although they admitted that they had given refuge to the Nicaraguans for humanitarian reasons.

The legal status of the prisoners has not yet been determined, but it is known that it is unlikely that they will be classified as refugees of war, displaced persons or political refugees in view of the surreptitious manner in which they entered Honduran territory and the activity in which they were engaged. They cannot be considered illegal workers either, since it would then be necessary to return them to their country of origin where, they all maintain, their lives would be in danger. They have appealed to Honduran humanitarianism. The courts could proceed according to regulations and try them for violation of Honduran law, with possible sentences of several years' imprisonment.

SANDINIST GROUP LEAVES FOR PANAMA 26 OCTOBER

PA271715Y Panama City ACAN in Spanish 2216 GMT 26 Oct 78 PA

[Text] Tegucigalpa, 26 Oct (ACAN-EFE)--Fifty-five Nicaraguan Sandinist guerrillas who had been kept under arrest in Honduras since September, left today for Panama where they have been offered political asylum.

The Sandinists were taken to Panama aboard a Panamanian Air Force Electra that landed at Tegucigalpa's airport this morning. The guerrillas had been confined to the grounds of the 11th Infantry Battalion near the City of Choluteca, in Honduras' southern region, near the border with Nicaragua. The Honduran Army had been treating them as guests in its barracks because the guerrillas had surrendered their weapons and decided to give themselves up and seek political asylum.

Honduras did not grant political asylum to them because it has declared its neutrality in the internal conflicts of other nations and because of the special circumstances under which the insurgents entered Honduran territory.

Second Group Leaves 27 October

PA281614Y Paris AFP in Spanish 0531 GMT 28 Oct 78 PA

[Text] Tegucigalpa, 27 Oct (AFP)--It has been reported that a second group of Sandinist guerrillas who had been captured by the Honduran Army in Honduras left today for Panama, which has offered them political asylum.

Most of the Nicaraguan fighters had been in the custody of a Honduran military unit since 18 September, the day they entered Honduran territory and peacefully surrendered to the authorities of this country in order to save their lives.

The Honduran and Panamanian governments began negotiations several weeks ago to guarantee asylum in Panama to the Sandinists. The results of these negotiations began to materialize yesterday with the departure of the first 55 guerrillas and the departure of an equal number today.

There are still 128 Nicaraguan guerrillas in Honduras. These were recently arrested during operations against Sandinist camps on Honduran territory.

CGT OPPOSES GOVERNMENT STAND ON NICARAGUA

PA291955Y Panama City ACAN in Spanish 1859 GMT 29 Oct 78 PA

[Text] Tegucigalpa, 29 Oct (ACAN-EFE)--During its fifth national congress, the General Workers' Central (CGT) criticized the military government's reiterated neutrality in regard to political events in Nicaragua.

Filicito Avila, top leader of the CGT--of Social Christian leanings--said during a speech that his organization "condemns and repudiates General Somoza's government and that all of those hiding behind apparent neutrality are accomplices in the violence unleashed against the Nicaraguan people."

The Honduran military triumvirate has stressed that it remains neutral in regard to events in Nicaragua and has decided to "drastically" punish any Hondurans or foreigners who engage in activities against the Nicaraguan Government.

"All of those who promote neutrality regarding events in Nicaragua abet repression against that heroic people one way or another," the labor leader said. He added that the CGT will always be present in the struggle for the liberation of the Nicaraguan people.

Several Honduran popular organizations have rejected the official concept of neutrality by demanding equal treatment for Sandinists captured here and the Nicaraguan National Guardsmen "who frequently violate the national sovereignty."

SOMOZA HOLDS NEWS CONFERENCE ON NATIONAL SITUATION

PA272227Y Managua Domestic Service in Spanish 1950 GMT 27 Oct 78 PA

[News conference with Nicaraguan President Anastasio Somoza at presidential office in Managua--live]

[Excerpt] [Question] I would like to take advantage of your presence to ask you how you see the national situation following your meeting yesterday with members of the mediating commission.

[Answer] First of all I would like to say that I see the situation improving because the Broad Opposition Front [FAO] has made a proposal through the commission. My party is studying the proposal. This indicates that we are beginning an open dialog, a dialog in front of the people and not behind their backs. It is a beginning for the country's pacification.

[Question] What is your opinion of the FAO's proposal itself? Is it feasible?

[Answer] I would prefer that the citizens read the proposal and study it for a week. You can ask me that question in 1 week; then I will answer it and the people will know what I am talking about. It is premature now. In a week I will hold a news conference.

[Question] Mr President, the members of the Group of 12 who took asylum at the Mexican Embassy describe the action of the friendly OAS mediation commission as intervention. This commission has been in Nicaragua for almost 4 weeks. They call it intervention. How would you describe the action of the OAS commission?

[Answer] First of all I want to explain that we, as a government, accepted this commission as long as it was a matter of friendly cooperation and not intervention. They are men who are cooperating in a friendly manner so that the situation in Nicaragua will become peaceful. This friendly cooperation also has arisen because a number of countries are bent on bringing bloodshed to Nicaragua.

[Question] Mr President, how do you see the economic situation? Do you see any light at the end of the tunnel?

[Answer] The economic situation in Nicaragua is generally based on the productivity of agricultural, mining and manufacturing sectors. All of these sectors are 100-percent active in Nicaragua. The sector of consumer goods--commerce--is the one that is not productive. It was this sector that began all the disturbances, and now it is paying the consequences. I believe that, with the gathering of this harvest and the pacification of commerce, the country will have normal economic development, but not with the returns that we received before the disturbances, because Nicaragua had already reverted to its traditional growth following the earthquake since after the earthquake investments ended. So we have to get ready for a Nicaragua similar to the one before 1972.

[Question in English] If there is another wide-scale Sandinist guerrilla attack, would you use the same amount of force to put it down?

[Answer in English] If there is another large-scale Sandinist attack, I will use the amount of force that my soldiers will need to defeat them.

[Question] General, in this political situation, your reiterated position of fulfilling the constitution and continuing in office until 1981 is an important factor. Do you maintain that position right now?

[Answer] I stand before you as president. What does this tell you? [indistinct answer from newsman] I am telling you.

[Question] Mr President, what is your opinion of the tremendous publicity the newspaper LA PRENSA gives to the guerrilla training camps in certain places in Central America?

[Answer] I think they are informing the public. I think it is time that the Nicaraguans should take sides so everyone will know their position.

[Question] Mr President, in speaking about the country's main products, do you think that another disorder will harm the country's production--for example, the harvest of coffee, cotton and so on?

[Answer] So far we have been speculating in the news. We make a number of people in Nicaragua uneasy with the news. More than a war, this has been a publicity campaign. Through publicity, they seek to disturb the Nicaraguan people.

I think it would be good if we toured Nicaragua. We would see that the Nicaraguans are dedicated to their work. It is only the political merchants--the political guerrillas who are not sure they could win office in an election--who are bent on disrupting the peace and removing the government by force. It is paradoxical to see them doing what they believe will cause a commotion, such as robbing a bank, while a block away youths are peacefully playing baseball. If you see that view of Nicaragua, you will reach the conclusion that they have tried to import subversion based on propaganda and that the Nicaraguan reality is something else. The reality is that the Nicaraguan people are working and desiring peace. There is still opportunity in Nicaragua. While there is that opportunity, the people are not going to go to war. So I do not fear that they are going to interrupt the harvest.

BOMBS, SHOOTING DISRUPT RECENT CALM IN MANAGUA

PA272000Y Paris AFP in Spanish 1606 GMT 27 Oct 78 PA

[Excerpt] Managua, 27 Oct (AFP)--Several bombs exploded and shooting was heard last night and this morning in various sections of Managua. The explosion of powerful homemade bombs disrupted the calm which has reigned in this city ever since the curfew was imposed 6 weeks ago. There were simultaneous bomb explosions in the Altamira, Bello Horizonte, Centroamerica, Las Palmas and other neighborhoods in all four sections of the city.

Military patrols which have been keeping watch with orders to shoot persons found in the streets after 2200 opened fire with rifles and machineguns. As of this morning, no casualties had been reported.

A police station in Bello Horizonte, in the southeastern part of Managua, was bombed this morning after dawn, when the curfew had already been lifted. The small garrison opened fire, but no casualties were reported.

An armed group attacked an office of professional security men in the same Bello Horizonte neighborhood this morning and escaped with all the weapons on the premises. The group identified itself as the Victor Manuel Tirado Lopez Command. Tirado Lopez is the Mexican guerrilla who is a member of the Directorate of the Sandinist National Liberation Front.

ARMED CIVILIANS MACHINEGUN THREE SOLDIERS

PA280358Y Paris AFP in Spanish 0224 GMT 28 Oct 78 PA

[Text] Managua, 27 Oct (AFP)--An armed group, presumably members of the Sandinist Front, at noon today machinegunned three National Guardsmen at the entrance to the town of Nindiri (20 km east of Managua). The dead were identified as Arturo Gomez, Emilio Lopez and Celso Garcia. The three soldiers were part of the permanent guard at the entrance to this Indian town located near Masaya, one of the cities in which intense fighting occurred during the September civil war. One of the soldiers, already wounded, managed to fire at the car in which the armed group of civilians was traveling, but he was killed by the attackers.

This is the most serious Sandinist Front incident since martial law was declared in the country more than 1 month ago. The army is patrolling the area with the tactical support of the air force to try to find the attackers.

GUERRILLAS HOLD UP MANAGUA BANK 27 OCTOBER

PA281620Y Panama City ACAN in Spanish 1545 GMT 28 Oct 78 PA

[Text] Managua, 28 Oct (ACAN-EFE)--Young guerrillas who held up a "Banco de America" branch in Managua yesterday afternoon made off with 1.5 million cordobas ($214,285). Revolvers in hand, the rebels attacked a car picking up the deposits at the bank's Montoya branch in western Managua.

During the operation the driver, Miguel Angel Garcia, was wounded when he tried to pick up the keys of the car, which had fallen. The bullet fired at him by one of the rebels entered his stomach, requiring an emergency operation.

Of the money stolen, 348,697 cordobas ($49,813) was in cash and the rest in checks, most of which are replaceable, the bank's accounting office said today.

In early October another operation, reportedly staged by the Sandinist National Liberation Front, was carried out against the Ciudad Jardin branch of the same bank, making off with a booty of over 700,000 cordobas ($100,000).

OBSERVERS CRITICIZE FAO PROPOSAL AS UNCONSTITUTIONAL

PA300245Y Panama City ACAN in Spanish 2154 GMT 29 Oct 78 PA

[By Eduardo Romero]

[Text] Managua, 29 Oct (ACAN-EFE)--Political observers for the opposition and the government have described the proposal for a "national unity government" submitted by the Broad Opposition Front (FAO) to the international mediation commission this week as mistaken and unconstitutional.

The commission has delivered the document to Nicaraguan President Anastasio Somoza, who along with his Nationalist Liberal Party (PLN) is studying it and will later give his views.

The proposal calls for the establishment of a government council composed of two representatives from each of the 15 opposition political and union groups that make up the FAO and two representatives from the ruling party. The council would assume legislative functions and implement the proposal after Somoza and any of his relatives who are officials resign and leave the country.

Senator Luis Pallais Debayle, director of the semiofficial newspaper, NOVEDADES, and vice president of the Chamber of Deputies, said that "what the FAO, composed of minigroups, proposes is nothing but a coup d'etat against all the branches of government and the destruction of the National Guard. This is a ridiculous and irrational proposal."

The progovernment politician stressed the irrational character of the opposition's request that the legislative branch--where Somozist liberals are in the majority--declare Somoza incompetent if he does not resign and then commit suicide.

Pallais Debayle added that "another absurd idea of the opposition position is that the National Guard, which has the duty of defending the constitution and the law, should permit a group of civilians, without the endorsement of votes or a victory in battle, to seize power by means of a coup d'etat."

Pallais Debayle said that OAS mediation by the United States, the Dominican Republic and Guatemala--plus the fact that General Somoza is leader of the army and the PLN--are a guarantee that Nicaraguans can reach 1981 and peacefully solve their problems at the polls.

Diego Manuel Robles, opposition lawyer with a militant background, warned that the FAO's proposal is unrealistic because it contains a number of violations of the constitution that prevent its implementation. He said that there has been a lack of negotiating ability and political strategy displayed by the leaders who proposed this plan as a solution to the country's current crisis.

Social Christian Reynaldo Antonio Tefel, who along with Humberto Arguello Hurtado has just withdrawn as an adviser to the FAO political commission which is talking with the international mediation commission, believes that in the plan for a national unity government "Somozism's sources of power are left intact." He added that "the plan maintains the political, military and economic structure of the Somozist regime and this will prevent the government council--if it is established--from having the power necessary to implement the democratization that we all desire."

What will happen if Somoza does not resign, if he does not leave the country as the opposition is demanding? For now Tefel does not have an answer to that question. "We will have to wait for Somoza's reply, which he told newsmen will come in the second week of November. That is a long time," Tefel added.

PLN leader J. David Zamora said that a solution to the Nicaraguan problem by revising the country's constitution could not take place as rapidly as the FAO is thoughtlessly demanding. "In accordance with the constitution, all legislative sessions must begin on 15 April of each year, and amendments to the constitution must be approved by two sessions. This provision is an obstacle to rapid partial reform," he said.

Zamora also believes that it is unreasonable that instead of counting itself as one solid opposition bloc, the FAO proposes that each of its groups has two representatives while the PLN has only two in the national unity government. We would be at a disadvantage. There are two very well-defined sides--the opposition and the ruling party--which must be equally represented, he added.

For the newspaper NOVEDADES, the opposition's political proposal is a demand of "move over so I can move in." In its editorial today, the newspaper asked: What organized party holding power and having the majority support of the people can accept an invitation from its adversaries to leave the government?

Referring to the asylum sought by seven members of the opposition Group of 12 who withdrew from the opposition coalition and took asylum at the Mexican Embassy, the newspaper said: "Their request for asylum, without persecution or repressive measures being taken against them despite their constant calls for the violation of the constitution, is due to the fact that the clandestine Sandinist Front (FSLN), which they represented in the FAO, does not agree with a peaceful solution in Nicaragua and is preparing a new terrorist operation."

"Their hasty request for asylum," it adds, "shows they are liars very far removed from the martyrdom which they attribute to themselves and which they recommended to others after returning from Costa Rica in June." NOVEDADES concludes by stating: "The 12 have not kept their pledge to wage the people's battle until the end of dictatorship without taking a step back."

COMMENTARY LAMBASTS OPPOSITION FOR INTRANSIGENCE

PA2704444Y Managua Domestic Service in Spanish 2355 GMT 26 Oct 78 PA

[Unattributed commentary]

[Text] Yesterday at 1830 the following people appeared at the Mexican Embassy requesting political asylum: Miguel de Escoto, Fernando Cardenal Martinez, Sergio Ramirez Mercado, Ricardo Coronel Kautz, Joaquin Cuadra Chamorro, Ernesto Castillo Martinez and Emilio Baltodano Pallais. The excuse they gave for requesting diplomatic asylum was that they felt persecuted. This is absurd since they acted with entire freedom in the country and the police never (?stopped) or bothered them. What happened is that in view of the intransigent position adopted by Dr Sergio Ramirez Mercado, representative of the 12 and the Sandinist Front in the Broad Opposition Front [FAO], the work of the commission of friendly cooperation, i.e., the Dominican Republic, the United States and Guatemala, has been obstructed. At the same time, rumors [are circulating] that they are poised to continue the bloodshed through new armed attacks.

This unpatriotic attitude will always be opposed since the National Guard is completely capable of defending the constitution and the laws of the republic and keeping order in the national territory. We have been informed that Dr Rodolfo Robelo, an Independent Liberal Party member, has been appointed FAO representative in place of Ricardo Coronel Kautz. We have also received reports that in spite of Dr Sergio Ramirez Mercado's removal from the FAO, the opposition still makes demands that are unacceptable from every point of view because they are unrealistic and completely illogical. We were informed that this wholly unrealistic demand is made by the FAO because its members have been personally threatened by the Sandinist National Liberation Front. If they do not agree with the Sandinists, they will pay with their lives or the destruction of their property.

To reach political negotiations to settle our problems is a patriotic duty which unites all Nicaraguans. We must be realistic, aware of the present political moment and intent on upholding the constitution and the laws of the republic during the negotiations. It would be a crime against the nation and Nicaraguans if, out of intransigence and because of the front's threats, the opposition refused the opportunity of representation by the OAS, the representatives of the Dominican Republic, the United States and Guatemala. The opponent who, out of fear and dominated by the threats of communist terrorism, continues to behave this way must resign his position as a party or political representative. He is doing tremendous harm to the entire Nicaraguan people and the country's future by impeding negotiations through intransigent positions. By settling our political differences we might again set Nicaragua on course on the basis of economic, social and political development in keeping with the constitution and the laws.

FIDEL, RAUL CASTRO ATTEND NATIONAL WORK HERO CEREMONY

FL281658Y Havana Domestic Service in Spanish 1100 GMT 28 Oct 78 FL

[Text] Commander in Chief Fidel Castro and Army Gen Raul Castro, first and second secretaries, respectively, of the PCC Central Committee, have attended the ceremony awarding medals to the 34 national work heroes for 1977. During the ceremony the Jesus Menendez special awards were also presented to the 53 brigade members who won the award and diplomas were presented to the 855 members of the collectives in which the individual goals set were achieved. Also attending the event were Politburo members Juan Almeida, Ramiro Valdes, Guillermo Garcia, Blas Roca, Carlos Rafael Rodriguez, Pedro Miret, Osvaldo Dorticos, Armando Hart, Jose R. Machado Ventura and Arnaldo Milian. Others attending included members of the Secretariat, the PCC, the Council of State, vice presidents of the Council of Ministers, members of the Central Committee and of the Central Organization of Cuban Workers--CTC--Executive Secretariat.

In the name of society and as worthy recognition of those men and women symbolizing the high revolutionary awareness of the people, Fidel and the other members of the Politburo presented the individual awards to the work heroes and to the brigade representatives. After the award presentation Fidel, Raul and other revolutionary party and government leaders held a lively discussion with the awarded workers--among them the canecutter Domingo Urrutia, a five-time national work hero.

RAUL CASTRO PRESENTS AWARD TO GRANMA FORCE MEMBER

FL281906Y Havana Domestic Service in Spanish 1700 GMT 28 Oct 78 FL

[Text] Army Gen Raul Castro, second secretary of the PCC Central Committee and minister of the Revolutionary Armed Forces [FAR], yesterday presented the FAR 20th anniversary commemorative medal to Gilberto Garcia Alonso, member of the Granma expeditionary force. The award was granted by the Council of State on 1 December 1977 and also awarded to the other members of the Granma expeditionary force who during these years of building socialism have maintained an exemplary attitude in accordance with revolutionary principles. The award was presented at that time because Comrade Garcia Alonso had been abroad. Attending the presentation ceremony were Jesus Montane, member of the PCC Central Committee, and Rene Rodriguez Cruz, president of the Cuban Institute of Friendship With the Peoples.

PLO REPRESENTATIVE INTERVIEWED ON CAMP DAVID ACCORDS

FL271310Y Havana Domestic Service in Spanish 1145 GMT 27 Oct 78 FL

[Text] With the agreements reached by the rulers of Israel, United States and Egypt at the Camp David conference, imperialism, Zionism and Arab reaction intend to place the entire Mideast region under their total domination and exploitation and to ignore and destroy the Palestinian people. In an interview granted to "Informacion Politica" [name of newscast] on this plot against the Arab peoples, Dr Ihsam Salim, Palestine Liberation Organization [PLO] representative in Cuba, declared:

[Begin Salim recording] Those so-called Camp David agreements constitute a betrayal and total and absolute capitulation of the Sadat regime to Yankee imperialist and Zionist interests. At the same time, they betray the vital interests of all Arab peoples and the Palestinian people's interests in particular. We cannot, in a few words, describe them better than Commander in Chief Fidel Castro did during his visit to Algiers, when he said: Camp David has been the consummation of treason. [end recording]

The PLO position with regard to this reactionary conspiracy has been strong. In this regard, its representative in Cuba added: [Begin Salim recording] The Palestinian people, all of them and unanimously, under the leadership of the PLO, have condemned and categorically rejected those agreements. At the same time, they have expressed their resolute determination to continue struggling through all means at their disposal to defeat this new conspiracy. The PLO has made it quite clear to world public opinion that Sadat has no right or authorization to speak on behalf of the Palestinian people. Our people, particularly those who live in the territories occupied by the Zionists, have reiterated their full identification with the PLO as their only political representative. [end recording] Salim also said that the Camp David agreements constitute a plot not only against the Palestinian people but also against all the other Arab peoples, their political and economic independence, their unity and dignity and their legitimate aspirations for national liberation. Therefore, the agreements have been rejected by all the Arab countries. And even pro-imperialist governments such as that of Saudi Arabia have been unable to openly support the agreements.

He said that at the Damascus conference against the plot hatched at Camp David, the progressive governments of the area and PLO, which form the Steadfastness Front, created a single political and military command and a common fund to struggle against these reactionary maneuvers. And he added: [Begin Salim recording] The immediate aim of this conference is to defeat the Camp David agreements and their protagonists in order to continue the battle for national liberation. This front also plans to coordinate efforts in all fields of the progressive Arab countries to protect their independence and defeat our imperialist and Zionist enemies. [end recording]

He then discussed the manner in which international solidarity has been manifested with the Palestinian and other Arab nations in the face of the plans of imperialism, Zionism and reaction.

[Begin Salim recording] Furthermore, the socialist community headed by the Soviet Union, and particularly Cuba, has strongly condemned those agreements through statements made by Comrades Brezhnev and Fidel Castro. In this regard, the support and solidarity of the socialist countries toward the Palestinian revolution and people always have been complete, absolute and constant because it is a matter of principle. We are certain that this socialist solidarity with the Palestinian revolution and PLO and the Soviet Union's support for our revolution and cause and the Arab cause in general are an indispensable factor for the triumph of the Arab and Palestinian peoples. [end recording]

Lastly, Ihsam Salim referred to the prospects for struggle of the Palestinian people and he said this about them: [Begin Salim recording] Ever since our people initiated their struggle they always have known that their battle for independence and national liberation has to be long, difficult and hard. It has to be that way because the Palestinian people are facing three primary enemies that are closely interrelated--imperialism, Zionism and Arab reaction. The only option left to the Palestinian people is to continue the total and open struggle against these enemies. From the beginning our motto has been: Struggle until total victory. We will win. [end recording]

HORACIO TABIO YORK TO HEAD INTERNATIONAL SUGAR COUNCIL

FL271121Y Havana Domestic Service in Spanish 1100 GMT 27 Oct 78 FL

[Text] Cuban Horacio Tabio York next year will preside over the International Sugar Council. The announcement has been made in the Nicaraguan [as heard] capital by representatives of the Economic Group of Latin American and Caribbean Sugar Exporting Countries, GEPLACEA, who are attending GEPLACEA's ninth plenary meeting.

DATA PROCESSING EQUIPMENT TESTED IN USSR

FL271233Y Havana Domestic Service in Spanish 1145 GMT 27 Oct 78 FL

[Text] Joint international tests were conducted in the Soviet Union from 16 to 23 October in which data processing equipment designed by Cuba was presented for the first time. The equipment presented consisted of the processor (CIP) 310 and the video terminal (CIT) 702. This equipment will become part of the family of minicomputers and peripheral processors (periféricos) which the socialist countries are developing jointly. With this, our country has taken an important step in the field of electronic data processing equipment.

USSR EMBASSY PRESS CONFERENCE TOUCHES ON NEUTRON BOMB

FL280055Y Havana Domestic Service in Spanish 0000 GMT 28 Oct 78 FL

[Text] On the occasion of the 61st anniversary of the great October socialist revolution, the USSR Embassy in this capital held a press conference. Marlen Manasov, the embassy's charge d'affaires ad interim, stated: [Begin recording] The Soviet people as well as progressive mankind are preparing to commemorate the 61st anniversary of the great October socialist revolution. As we commemorate this date and examine the path traversed by our country, we can appreciate the successes achieved by the Soviet people, thanks to selfless efforts in building socialism and communism. Our fatherland and people had to undertake a hard mission and at the same time an honorable one. They were the first, the vanguard in building new and unknown avenues to progress [end recording]

Elsewhere Manasov referred to the Soviet people's accomplishments and the Leninist plan for building the new society. Pointing out the friendly relations uniting Cuba with the Soviet people, he said: [Begin recording] The friendship and diverse forms of cooperation uniting the Soviet Union and the Republic of Cuba, the communist parties and the peoples of our two countries are examples of fraternal relations. [end recording]

In response to a question on a U.S. plan to produce essential elements of the neutron bomb, Manasov said: [Begin recording] When Carter says only components, it means that they will change the nose cone. It means that they will begin to produce this bomb. Then our position is clear, as you know we are opposed to that. [end recording]

In the press conference Manasov also referred to the pledges made by workers and kolkhozniks to complete tasks of 3 years of the 5-year period by 7 November.

FAR, SOVIET SPECIALISTS MARK KOMSOMOL ANNIVERSARY

FL261223Y Havana Domestic Service in Spanish 1145 GMT 26 Oct 78 FL

[Excerpts] The Revolutionary Armed Forces [FAR] main commemorative activity marking the 60th anniversary of the Soviet Union's Leninist Komsomol was held yesterday at the Gen Antonio Maceo Inter-Service School.

The ceremony was presided over by Col Manuel Penado Casanova, first deputy chief of the FAR Central Political Directorate; Lt Gen (Boris Stonikov); Col Jose Palacios Suarez, director of the Inter-Service School; other FAR commanders and officers and Soviet military specialists.

First Lt Rodolfo Velasquez was the first to speak to convey greetings to the Komosomol on behalf of the military school's Young Communists.

Speaking on behalf of the Soviet military specialists, Maj Gen (Ivan Belov) outlined the tasks that the Soviet Komsomol has completed during its 60 years of existence. He emphasized that the history of this youth organization is closely tied to Lenin, who was its founder and guide and clearly defined the nature, tasks and role that the Komsomol had to play to mobilize and educate Soviet youths in the building of socialism. He went on to recall the Komsomol's outstanding participation in the civil war, which the Soviet people waged against the enemies of socialism.

Major General (Belov) also underscored the outstanding participation of Soviet youths in the tasks to build a new society and he referred to the indestructible friendship that exists between the Cuban and Soviet youth organizations.

YOUTH LEADER IN MOSCOW FOR KOMSOMOL ANNIVERSARY

FL261229Y Havana Domestic Service in Spanish 1200 GMT 26 Oct 78 FL

[Text] Luis Orlando Dominguez, first secretary of the National Committee of the Cuban Union of Young Communists (UJC), has arrived in Moscow to participate in activities commemorating the 60th anniversary of the Leninist Komsomol.

Dominguez, who is a member of the PCC Central Committee and Council of State of the Republic of Cuba, was received at Sheremetevo airport by Boris Pastukhov, secretary general of the Komsomol Central Committee.

DELEGATIONS TO CEMA CHEMICAL INDUSTRY MEETING ARRIVE

FL282231Y Havana Domestic Service in Spanish 1703 GMT 28 Oct 78 FL

[Text] The first delegations which will be attending the 50th meeting of the CEMA standing committee on the chemical industry, which will be held in this capital, began arriving during the last couple of hours. The meeting will begin on Monday at the Habana Libre Hotel. Guenther Wyschofsky, GDR minister of chemical industry and chairman of the CEMA standing committee for this economic sector has arrived in our country. Also arriving this morning at Jose Marti International Airport was Leonid Kostandov, USSR minister of chemical industry. This CEMA standing committee will be in session through 3 November, at which time a protocol will be signed at the Sierra Maestra Hotel.

COOPERATION AGREEMENT SIGNED WITH BULGARIA

FL282121Y Havana Domestic Service in Spanish 1700 GMT 28 Oct 78 FL

[Text] Sofia--Cuba and Bulgaria today agreed on the principal economic spheres in which they will cooperate over the next 5-year period, 1981-1985. Enrique Martinez and Georgi Georgiev, vice presidents of the Cuban Central Planning Board--JUCEPLAN--and of the Bulgarian State Committee for Planning, respectively, today signed the document enumerating the general directives of this cooperation. Following their signing of the memorandum the two officials pointed out the importance of the increase which will result in the bilateral cooperation over the next 5 years, and they called the visit by the JUCEPLAN vice president productive.

Martinez, who tomorrow will leave to return to Cuba, headed the delegation which was made up of Luis Gaspe, vice president of the State Committee for Material and Technical Supply, and representatives of other Cuban organizations. He participated in the first working meetings to coordinate the socioeconomic development plans of the two countries for the next 5-year period.

GUYANA

GENERAL STRIKE ANNOUNCED TO PROTEST DECISION ON WAGES

PA291428Y Paris AFP in Spanish 0337 GMT 29 Oct 78 PA

[Text] Georgetown, 28 Oct (AFP)--The Trade Union Congress (TUC) today announced a general strike to protest a decision by Prime Minister Linden Forbes Burnham's government to deduct certain sums of money from the wages of public employees in order to invest them in a national insurance enterprise and other projects. It is not yet known whether the decision to stage a strike--the date for which has not yet been announced--has been made in order to force the government to abandon its announced deduction plans or to overthrow the People's National Congress government.

Burnham recently rejected a proposal by the TUC aimed at abolishing Guyana's popular militia and reducing the expense of the Guyanese National Service, another paramilitary organization. According to Burnham, as defense minister he knows very well that these organizations are vital to the country's security.

For its part, the TUC had earlier proposed the creation of a national tax aimed at raising a fund with which to resolve the country's "unprecedented" economic crisis. The prime minister's cabinet has decided to meet within the next 48 hours to reach a decision regarding the announced general strike.

JAMAICA

PNP CONCERNED OVER JLP THREATS AGAINST GOVERNMENT

FL271540Y Kingston DAILY GLEANER in English 25 Oct 78 pp 1, 13 FL

[Text] The PNP [People's National Party] executive in a statement yesterday expressed concern over a report that deputy leader of the JLP [Jamaica Labour Party], Mr Winston Spaulding, had said the opposition would be bringing the government to its knees through civil disobedience and non-violent protests.

The statement said such expressions could only serve to create further tension and divisiveness in the society when there are positive signs that a large number of Jamaicans were responding to the call for national unity and production, and, when there were clear indications that interest was being shown by overseas financial institutions and business concerns in investing in Jamaica.

The statement of the PNP executive said:

"The executive of the PNP has taken note of statements made in recent times by leading members of the JLP threatening to "bring down the government" by unconstitutional means and processes alien to the Jamaican tradition.

"The executive views with concern and amazement the latest hysterical outburst by Mr Winston Spaulding, deputy leader of the JLP at a North Central St Andrew constituency conference of the JLP. It is reported that Mr Spaulding has declared the decision of the opposition to launch a campaign to "bring the government to its knees" through civil disobedience and non-violent protests.

"Such childish expressions can only serve to create further tension and divisiveness in the society at a time when there are positive signs that large numbers of Jamaicans are responding to the call for national unity and production.

"These damaging statements are also coming at a time when there are clear indications of growing co-operation and performance in the private sector; when definite interests are being shown by overseas financial institutions and business concerns in investing in Jamaica. From all indications we will have a bumper tourist season.

"The country must know that since the last election both the government and the opposition have been meeting in consultations in an effort to get a consensus of approach in resolving problems and differences in matters of broad national interest including: registration of citizens; electoral reforms; constitutional reforms; apportionment of scarce benefits. These talks are continuing and indeed fair progress has been made in many areas. Consequently, there is a large element of hypocrisy in the arguments used by the opposition to justify these periodic outbursts.

"The executive cannot but express the view that these statements are calculated to create turmoil, to damage the prospects of a good tourist season, and indeed to set back the recovery of our economy. If the reports are true, does it mean that the JLP is abandoning the processes of democracy, the rule of law and order and indeed our constitution? It has become necessary for the leader of the JLP as well as the executive of the JLP to state categorically whether these expressions of Mr Spaulding, as reported, reflect the views of the JLP."

JLP SEEKS ELECTORAL REFORMS BEFORE ANY ELECTIONS

FL281710Y Kingston DAILY GLEANER in English 26 Oct 78 p 1 FL

[Text] The JLP [Jamaica Labour Party] opposition is seeking to ensure that no further by-elections are called until the electoral system is reformed and the electoral list is updated.

A resolution to this effect was tabled in the House of Representatives on Tuesday by Mr Alva Ross (JLP South-East St Mary), in the following terms:

"WHEREAS both major political parties are in agreement as to the necessity for electoral reform; and

WHEREAS both political parties have been meeting to work out the details of electoral reform and the present position is that substantial areas of agreement have been reached; and

WHEREAS the current electoral list is now two years old; and

WHEREAS the electoral system and the existing out-dated electoral list effectively disfranchises several thousand Jamaicans and creates an unfair bias in favour of one political party; and

WHEREAS parliamentary democracy presupposes equal opportunity to all candidates in parliamentary and parish council elections and this is not possible under the present system and using the present list; and

WHEREAS this state of affairs has caused the JLP to take the stand that it will not contest any elections, parliamentary or parish council, under the present electoral system and using the present electoral list,

BE IT RESOLVED that this honourable house recommend to government that urgent and necessary reform of the present electoral system be committed to law with the utmost speed in 1978 and

BE IT FURTHER RESOLVED that government give urgent consideration to ensure that no further by-elections be called under the present system and using the present outdated electoral list."